

AMENDMENT TO RULES COMMITTEE PRINT 118-

10

OFFERED BY MR. BANKS OF INDIANA

At the end of subtitle C of title XVIII, add the following:

1 **SEC. 18__ . DISCLOSURES OF GIFTS AND CONTRACTS RE-**
2 **CEIVED BY INSTITUTIONS OF HIGHER EDU-**
3 **CATION FROM FOREIGN SOURCES.**

4 Section 117 of the Higher Education Act of 1965 (20
5 U.S.C. 1011f) is amended—

6 (1) by amending paragraph (1) of subsection
7 (b) to read as follows:

8 “(1) For gifts received from or contracts en-
9 tered into with a foreign source other than a foreign
10 government, the aggregate dollar amount of the gifts
11 and contracts attributable to each such foreign
12 source.”;

13 (2) by redesignating subsections (d) through (h)
14 as subsections (e) through (i), respectively

15 (3) by inserting after subsection (c) the fol-
16 lowing:

17 “(d) DUE DILIGENCE REQUIREMENTS.—Each insti-
18 tution that receives gifts or conditional gifts from or en-

1 ters into contracts or conditional contracts with a foreign
2 source shall establish, maintain, and administer appro-
3 priate, specific, and, where necessary, enhanced, due dili-
4 gence policies, procedures, and controls that enable the in-
5 stitution to independently verify when a gift or conditional
6 gift, or a contract or conditional contract, is from or with
7 a foreign source and shall report the specific identity of
8 each beneficial owner and real party in interest of each
9 such foreign source to the Secretary, including the specific
10 identity of any individual or entity that is—

11 “(1) a current or former official, officer, mem-
12 ber, employee, citizen, agent, or instrumentality of
13 the government of the People’s Republic of China,
14 the Communist Party of China, or the People’s Lib-
15 eration Army;

16 “(2) a current or former official, officer, mem-
17 ber, employee, citizen, agent, or instrumentality of
18 the government of Russian Federation;

19 “(3) a current or former official, officer, mem-
20 ber, employee, citizen, agent, or instrumentality of
21 the government of the Islamic Republic of Iran; or

22 “(4) a natural or legal person on the Specially
23 Designated Nationals and Blocked Persons List
24 maintained by the Office of Foreign Asset Control of

1 the Department of the Treasury or any agent or in-
2 strumentality of such a person.”;

3 (4) in subsection (f), as so redesignated, by
4 striking “during business hours” and inserting “and
5 shall be prominently posted on a publicly accessible
6 website of the institution and on publicly accessible
7 website of the Department of Education”; and

8 (5) in subsection (i), as so redesignated—

9 (A) by amending subparagraph (B) of
10 paragraph (2) to read as follows:

11 “(B) a legal person—

12 “(i) created under the laws of or dom-
13 icated in a foreign state or states; or

14 “(ii)(I) created under the laws of any
15 State of the United States or a trust terri-
16 tory or protectorate thereof; and

17 “(II) that is an instrumentality of or
18 substantially owned or controlled by a for-
19 eign source or by an agent acting on behalf
20 of a foreign source;”; and

21 (B) in paragraph (4)—

22 (i) by redesignating subparagraphs
23 (A) through (C) as clauses (i) through
24 (iii), respectively;

1 (ii) by striking “the term ‘institution’
2 means any institution, public or private,
3 or, if a multicampus institution, any single
4 campus of such institution, in any State,
5 that—” and inserting “the term ‘institu-
6 tion’—

7 “(A) means any institution, public or pri-
8 vate, or, if a multicampus institution, any single
9 campus of such institution, in any State, that—
10 ”; and

11 (iii) by adding at the end the fol-
12 lowing:

13 “(B) includes all natural and legal persons,
14 such as employees, agents, contractors, founda-
15 tions, corporations, associations, and other
16 intermediaries, that operate substantially for
17 the benefit or under the auspices such an insti-
18 tution.”.

